



**Public Hearing Testimony of
Scott Jackson, Commissioner
Department of Labor
Labor and Public Employees Committee
February 25, 2016**

Good Afternoon Senator Gomes, Representative Tercyak, Senator Hwang, Representative Rutigliano and members of the Labor and Public Employees Committee. Thank you for the opportunity to provide you with written testimony regarding **House Bill No. 5261, AAC Operators of Athletic Activities, Coaches and Referees and the Employer-Employee Relationship**. My name is Scott Jackson and I am the Labor Commissioner.

The Department of Labor opposes this proposed bill. This bill seeks to classify all coaches and referees engaged in service to an organized athletic organization as independent contractors. In this bill, these individuals would be deemed to have no employer-employee relationship with the organization and, therefore, would not be covered by the unemployment compensation system or be protected by many of the wage and hour laws that keep our workers healthy, safe and productive. Connecticut law utilizes a test to determine whether an individual is an employee or an independent contractor (commonly known as the "ABC test"). While many cases of worker misclassification – identifying an employee as an independent contractor – occur inadvertently, we should not purposefully carve out certain industries to bypass that long standing and well-defined statutory scheme. Every relationship between a coach or referee and an athletic organization is unique, and many are determined to be independent contractors. Over the last three years, approximately 95 audits of such organizations have been conducted and 54% were found to have properly classified workers as independent contractors. The remaining 46% were found to have misclassified workers, and the agency reclassified them as employees entitled to participate in the unemployment compensation system, as well as utilize the protections afforded to all other employees. Failing to protect these misclassified coaches and referees undermines the unemployment compensation system as a safety net for vulnerable workers, and that is why this proposed bill should not go forward.

Thank you for the opportunity to provide written testimony today.